



## PURCHASE ORDER TERMS AND CONDITIONS

1. **ACCEPTANCE** – This Purchase Order represents the entire agreement between hereinafter referred to as Buyer; SSI Cable Corporation, and Seller. Acceptance is expressly limited to these Terms and Conditions set forth in this Purchase Order. No change, modification or revision to this Purchase Order shall be valid and binding unless in writing and signed by the authorized representative of Buyer. One copy of Purchase Order must be signed and returned to Buyer within 5 days after receipt. All applicable requirements shall be flown down through the chain of supply and all records shall be retained.

2. **DELIVERY** – Time is of the essence in this order. Production schedules at SSI are dependent upon the delivery dates specified herein, and delays will substantially impair the contract. Seller shall bear any premium shipping costs necessary to meet contractual delivery schedule. Seller shall report any anticipated delay immediately for whatever cause of events affecting delivery. Over shipments may be returned at Seller's expense or retained by Buyer at no increase in price. Buyer reserves the right to accept or return to Seller, at Seller's expense, items received in advance of the required delivery date as specified on the Order or to defer payment unless prior authorization is obtained. In the event of termination or change, no claims will be allowed for any such manufacture or procurement in advance of such normal flow time, unless there has been such prior written consent of Buyer.

3. **DEFAULT** – If Seller fails to make any delivery in accordance with the agreed delivery date or schedule or otherwise fails to observe or comply with any other instructions, terms, conditions or warranties applicable to this Purchase Order or fails to make progress so as to endanger performance of the Purchase Order, Buyer may terminate all or part of this Purchase Order by written notice to Seller without any liability by Buyer to Seller on account thereof. In the event of a default, Buyer may purchase material from another source of supply on such terms or in such manner as Buyer may deem appropriate.

4. **CHANGES** – Buyer shall have the right by written order, to suspend work, or make other changes from time to time in the materials to be furnished by Seller hereunder. If such suspension or change causes an increase or decrease in the cost or performance of this Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this clause must be within 5 days from the date of receipt by Seller of notification of the change or suspension. Seller shall notify Buyer in writing of any changes in product and/or process, changes of suppliers, changes of manufacturing location.

5. **SHIPPING INSTRUCTIONS** – Shipments are to be made via the carrier specified on the Purchase Order unless Seller needs to meet delivery date specified then shipment will be at Seller's expense. No charges will be allowed for packing, crating and/or any other miscellaneous charges unless so specified in this order. Inflated shipping and handling charges will not be honored.

6. **WARRANTIES** – Seller warrants for a period of 12 months from the date of official acceptance that the materials delivered on this order are to be free from defects in workmanship, materials, and to be in accordance with Buyer's specifications and drawings. If

material is replaced under this clause, such materials shall be under warrantee for the full 12-month term. Seller shall notify the Buyer of any nonconforming product and obtain written approval for nonconforming product disposition.

**7. INSPECTION** – Seller shall permit Buyer’s inspectors, Buyer’s customers, and regulatory authorities to have access to Seller’s plant at all reasonable hours for the purpose of inspection of any items covered by this Purchase Order, work in process, or all applicable records for production of said items at any level of the supply chain. Seller, without additional cost to Buyer, shall provide all reasonable facilities and assistance for the safety and convenience of such inspectors. All material will be subject to final inspection and acceptance by Buyer at Buyer’s plant notwithstanding any prior payment or inspection and acceptance. If a discrepancy is found, Buyer may, at its option, a) hold the rejected items for Seller’s instructions and Seller’s risk; b) return them to Seller at Seller’s expense and require their immediate correction or replacement; c) retain said material and make such expenditures for improvements, changes and alterations to said material as it may deem necessary in order to bring them into conformity with the contract requirements at Seller’s expense and the contract price shall be reduced accordingly, or if payment has already been made, Seller shall promptly reimburse Buyer for any such expenditures; and/or d) terminate this order for default in which case Seller shall promptly reimburse Buyer for any and all damages sustained by Buyer as a result of said failure of material to meet contract requirements. Buyer may charge to Seller any and all costs of inspection and test when material tendered for final inspection and acceptance does not comply with the requirements of the Purchase Order.

**8. PAYMENT** – Payment date is calculated from date of receipt of material with associated paperwork or date of receipt of invoice, whichever is later.

**9. RISK OF LOSS** – Irrespective of the “F.O.B.” designation on the Purchase Order, title shall pass to SSI upon receipt and acceptance by SSI at its facility and Seller shall bear the risk of loss until such receipt by SSI.

**10. COUNTERFEIT PARTS** – Supplier shall institute and maintain reasonable quality control measures to ensure that the components and materials it uses in the supply of products are of original manufacture and are not counterfeit or of substandard quality. Supplier shall apply reasonable procedures to investigate the sourcing and quality control procedures of Supplier’s component and material suppliers to ensure compliance with this provision.

**11. CONFLICT MINERALS** – Supplier shall be DRC conflict free. The U.S Dodd-Frank Wall Street Reform and Consumer Protection Act concerning “conflict minerals” originating from the DRC (Democratic Republic of the Congo) and adjoining countries was passed in 2010. Final rules were published by the SEC regarding the disclosure of the source of conflict minerals by U.S. publically traded companies (<http://www.oecd.org/daf/inv/mne/GuidanceEdition2.pdf>). These rules reference the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and guides suppliers to establish policies, management systems, and due-diligence frameworks. See more about the Responsible Minerals Initiative at <http://www.responsiblemineralsinitiative.org>.

**12. AWARENESS** – Supplier shall ensure that persons are aware of their contribution to product or service conformity; their contribution to product safety; and the importance of ethical behavior.